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DOE says environmental group did not use funds for anti-coal advocacy

By Darren Epps

The U.S. Department of Energy said in a letter to Sen. Richard Shelby, R-Ala., that the roughly \$330,000 granted to the Southern Alliance for Clean Energy between 2007 and 2012 was used for wind energy-related activities, not to fight coal in Alabama.

Shelby asked the DOE in December 2013 to <u>investigate</u> the use of federal funding by anti-coal groups, saying that "some of the organizations now waging a war against coal in Alabama are also receiving federal funds in the form of grants from your department." The Alabama Coal Association had also <u>expressed</u> concern with groups like the Southern Environmental Law Center, or SELC, and the Southern Alliance for Clean Energy, or SACE, participating at Alabama Public Service Commission hearings.

In a letter dated Jan. 17, the DOE said it found no record of funding to the SELC. The DOE said it did provide funding to the SACE for three different activities for the Office of Energy Efficiency & Renewable Energy's Wind and Water Power Technologies Office.

The activities included providing training, conducting a workshop and providing technical assistance for wind energy-related issues.

"Wind and Water Power Technologies Office staff reviewed the work performed by SACE and have affirmed that funding provided to SACE was used in accordance with law and the intended purpose of these funds," the DOE said in the letter to Shelby. "The Department is prohibited from expending federal funds on political advocacy activities by special interest groups."

In comments to SNL Energy in December 2013, SACE maintained that it had never received federal funding for any work related to coal-fired power plants.

The investigation into funding comes at a critical juncture for Alabama coal producers. The Alabama Coal Association and several coal producers in the state recently <u>warned</u> that about 1,000 coal mining jobs may be at risk if environmental groups get a preliminary injunction against a controversial general coal permitting program they say accommodates certain dredge-and-fill activities associated with surface mining. Walter Energy Inc., a metallurgical coal producer, and <u>Drummond Coal Co.</u> are two of the major

Alabama-based coal companies.

<u>Southern Co.</u> subsidiary <u>Alabama Power Co.</u> recently <u>said</u> it planned to stop burning coal at four units of its <u>E.C. Gaston</u> power plant, which took coal from four different Alabama mines through the first 10 months of 2013.

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